

Novel proteins have been designated "cerberus" and "frzb-1," respectively. Cerebus is expressed as a secreted peptide during embryogenesis of the *Xenopus* embryo, and is expressed specifically in the head organizer region. This new molecule has endodermal, cardiac, and neural tissue inducing activity, that should prove useful in therapeutic, diagnostic, and clinical applications requiring regeneration, differentiation, or repair of these and other tissues. Frzb-1 is a soluble antagonist of growth factors of the Wnt family that acts by binding to Wnt growth factors in the extracellular space. A third novel protein is termed PAPC which promotes the formation of dorsal mesoderm and somites in the embryo.